Using Natural Resource Wealth to Improve Access to Water and Sanitation in Mozambique

A 2012 Australian Development Research Awards Scheme Project
Inception Workshop

Date: November 21, 2013

Location: Hotel Cardoso, Maputo

Participants:
- Administração de Infraestruturas de Abastecimento de Água e Saneamento (AIAS)
- African Technology Policy Studies Network (ATPS)
- Australian Aid
- Direcção Nacional de Águas (DNA)
- Murdoch University (MU)
- Universidade Eduardo Mondlane (UEM)
- United Nations Children’s Fund (UNICEF)

Purpose: To gather all stakeholders to the Australian Development Research Awards Scheme (ADRAS) programme together to discuss and agree on roles and responsibilities and final terms of reference for all contracted parties as well as increase the shared body of knowledge around cost-benefit analysis for water and sanitation interventions in Mozambique.

Desired Outcomes:
1. Greater understanding of cost-benefit analysis as it relates to water and sanitation interventions, including survey data requirements.
2. Agreement on key research questions and strategies to address programme outcomes.
3. Greater clarity on the communications and engagement issues (policy and advocacy) related to the programme.
4. Awareness of and agreement on roles and responsibilities of all parties to the programme.
5. Strengthen relationships among parties to the programme.
## Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Description</th>
<th>Moderator</th>
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<tr>
<td>09.30</td>
<td>Welcome and introductions</td>
<td>David Doepel</td>
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<tr>
<td>09.40</td>
<td>Project description and expected outcomes</td>
<td>David Doepel</td>
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<td>10.00</td>
<td>Cost-benefit analysis for water and sanitation interventions</td>
<td>Kevin Urama</td>
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<td>11.00</td>
<td>Coffee break</td>
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<td>11.30</td>
<td>Introduction by Australian Aid to the ADRAS programme</td>
<td>Laila Smith</td>
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<td>12.00</td>
<td>Research strategy to address programme outcomes</td>
<td>Ryan Admiraal</td>
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<td>13.00</td>
<td>Lunch</td>
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<td>14.00</td>
<td>Policy and advocacy agenda and agreement on operation issues</td>
<td>David Doepel, Lisa Kurbiel</td>
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<td>15.00</td>
<td>Summary of agreements reached</td>
<td>David Doepel</td>
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<td>15.30</td>
<td>Close</td>
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The Australian Development Research Awards Scheme

The Australian Development Research Awards Scheme (AD拉斯) is the flagship competitive research program of the Government of Australia, funding primary research projects to improve the quality and effectiveness of Australian aid in developing countries. Since 2007, the Scheme’s competitive grants have supported 129 primary research projects and 17 systematic reviews of development research.

Australian Aid-supported researchers have now begun work on a range of development research projects funded through the 2012 round of the ADRAS. The latest ADRAS round awarded 50 grants, totalling $32.9 million over three years, within the following themes:

- Africa
- Disability-inclusive development
- Education
- Gender
- Health
- Mining for development
- Scholarships
- Water, sanitation and hygiene.

Australian Aid’s research program is helping to improve the quality and effectiveness of Australian aid in developing countries. Practical research helps inform where and how resources can most effectively and efficiently be deployed. Guided by the Research Strategy 2012-16, Australian Aid funds many different types of research to answer the wide range of challenges to development in partner countries, to assist in monitoring development impacts, and to better target programs.

The department funds research through partnerships with Australian, international and developing country institutes, competitive grant schemes, direct grants, and by commissioning research. Most of the research funding is provided through country programs and sector or thematic programs, with a smaller share through global programs and through the research section. This decentralised approach ensures the portfolio of activity has close links to program design and implementation. Australian Aid funds research that will provide the best available evidence on key themes at a global, regional and local level.

Project Description and Expected Outcomes

MU was successful in gaining funding from Australian Aid through its 2012 ADRAS programme to undertake research in Mozambique in partnership with UNICEF, UEM, and ATPS. The project seeks to amplify evidence-based advocacy at national and provincial levels by analysing current efforts to increase access to water and sanitation in Nampula province, including along the major Nacala economic corridor. It also seeks to build the business case for long-term investment of mineral resource revenues into the water and sanitation sector.

The Project

Water, sanitation, and hygiene programmes are being implemented by UNICEF in Nampula Province as part of the Nampula Province Water, Sanitation, and Hygiene (NAMWASH) programme, also funded by Australian Aid. Given the growing prominence of the extractive industry in Mozambique and the evolving dialogue regarding long-term investment strategies for the expected revenues, a cost-benefit analysis of the UNICEF intervention will provide the elements of a business case to leverage increased contributions to water and sanitation systems. Advocacy messages developed by UNICEF and MU will be disseminated to the various stakeholders involved in the water and sanitation sector in Mozambique, including government, civil society, donors, and industry through workshops at national, provincial and district levels, industry platforms, sector conferences, via published research papers, and briefs.

Expected Outcomes

- Knowledge of implications for infrastructure requirements/pressures on growing small towns with a focus on water and sanitation.

- A stronger evidence-based case for government and private sector expenditures in water and sanitation.

- A greater use of investments in water and sanitation as a vehicle to invest in building human capital.

- A detailed understanding of the type of interventions which can extract maximum infrastructural, economic, environmental, health-related, and socio-cultural benefits in the sector.

- A greater understanding of opportunities for leveraging extractive and other industry sectors for improving livelihoods (particularly in water and sanitation) and the constraints that exist (e.g. vocational skills development).
**Cost-Benefit Analysis for Water and Sanitation Interventions**

The project is slated to include a survey to elicit information on the costs and benefits of the NAMWASH programme with a focus on the perceived and observable impacts on water- and sanitation-related Millenium Development Goals targets in small towns in Nampula Province. The cost-benefit analysis of the NAMWASH programme will aim to determine the major returns on investment in the water and sanitation sector for wider welfare benefits of the target population, including infrastructural, economic, environmental, health-related, and socio-cultural indicators. Due to the limited nature of the intervention by mid-2014, the survey will seek to estimate the perceived benefits of the initiative using the contingent valuation methodology (CVM) and elicit stakeholders’ (direct and indirect beneficiaries’) assessments of the actual and perceived improvements in health; school enrolment, retention and learner performance; improved livelihoods among families and in neighbourhoods of small towns, particularly for women and girls; and also their perceived and actual willingness to pay (WTP) for the interventions in their communities. The cost analysis of an expansion of the NAMWASH programme that maintains its focus along the Nampula-Nacala corridor will also be undertaken based on existing and projected data for population shifts and emerging migratory patterns linked to the Nacala rail line and expansion of the Nacala port. This costing would incorporate such related expenses as training of health care workers, capacity for water quality monitoring, behaviour change communications campaigns, and engaging community leaders and community-based organisations.
Research Strategy to Address Programme Outcomes

The project Using Natural Resource Wealth to Improve Access to Water and Sanitation in Mozambique will undertake research that will inform the debate within Africa regarding the creation of a socially and environmentally responsible mining sector. The research will focus on the project outcomes, as stated below, with research activities targeted toward these outcomes.

**Where:** Focus will be on the towns of Ribáuè and Namialo in Nampula Province.

**When:** Data collection is proposed for July–August 2014.

**Who:** MU, ATPS, and UEM will collaborate in the data collection and analysis. UNICEF, AIAS, DNA, and other stakeholders will be vital contributors of information, advice, and support. MU, UNICEF, and UEM will collaborate on dissemination of the research findings.

**How:** A number of methodologies will be employed during the project including a household survey (including knowledge, attitudes, and practice [KAP] study), key informant interviews, observation, focus groups, and literature review. Particular attention will be paid to the needs and experiences of women, children, and people with disabilities.

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<tr>
<th>Project Outcome</th>
<th>Measurement</th>
<th>Source</th>
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<td>Knowledge of implications for infrastructure requirements/pressures on growing small towns with a focus on water and sanitation.</td>
<td>Analysis of demographic shifts in towns along the corridor, reasons for shifts, and implications of the same with regard to pressures upon water and sanitation infrastructure.</td>
<td>Demographic projections, household survey.</td>
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<td>A greater use of investments in water and sanitation as a vehicle to invest in building human capital.</td>
<td>Analysis of improved access to water and sanitation in targeted towns. Improvement in capacity of staff in water sector institutions as a contribution to sustainability.</td>
<td>Household survey (with attention paid to KAP), observation, key informant interviews.</td>
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<td>A detailed understanding of the type of interventions which can extract maximum infrastructural, economic, environmental, health-related, and socio-cultural benefits in the sector.</td>
<td>Analysis of socio-economic and environmental benefits that are expected to flow to the community directly and indirectly as a result of programmatic interventions.</td>
<td>Observational data, key informant interviews, focus groups, literature review.</td>
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<td>A greater understanding of opportunities for leveraging extractive and other industry sectors for improving livelihoods (particularly in water and sanitation) and the constraints that exist.</td>
<td>Analysis of rationale for direct and indirect private investment and best-practice, and cost-benefit analysis to inform return on investment in WASH.</td>
<td>Literature review, key informant interviews.</td>
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Notes


**Policy and Advocacy Agenda**

The NAMWASH Programme is a partnership among the Government of Mozambique, UNICEF, and Australian Aid that seeks to accelerate achieving water and sanitation Millennium Development Goals (MDGs) in Mozambique in the highly strategic economic corridor of Nampula-Nacala. The growth in towns and cities near extractive activities and along related supply routes is creating pressures on current infrastructure and creating additional delays in delivery of proposed infrastructure because of additional demand. At the same time the higher GDP rates and royalties and taxes from the extractives industry are potentially a source of funding to deal with both current deficits and increased demand.

The current research collaboration among MU, UNICEF, ATPS, and UEM seeks to undertake a rigorous cost-benefit analysis to illustrate the return on investment in the water and sanitation sector for wider welfare benefits of the target population. Through these research activities the project will initially seek to:

1. Inform policy makers within the Mozambican National government and Provincial Government with regard to supporting a policy environment that anticipates that the rapid growth in areas of extractive industry activity needs special attention with regard to provision of basic infrastructure, particularly water and sanitation.

2. Create an awareness of the benefits of integrated water, sanitation, and hygiene (WASH) implementation and the value for human development in the Mozambican context among key stakeholders and decision makers at the national level, leading to a willingness to mobilise long-term sustainable investments in WASH.

3. Advocate for the importance of integrated WASH implementation as part of a coordinated effort in support of attaining MDGs and anticipated Sustainable Development Goals (SDGs).

4. Emphasise the importance of a multi-sectoral approach which leads to enhanced and coordinated policy development and implementation for WASH activities.

5. Engage with civil society and the private sector associated with the growth corridors to raise awareness of the challenges and opportunities associated with rapid growth and the pressure upon existing infrastructure and service delivery.

MU, UNICEF, and UEM will collaborate on the dissemination of policy messages and advocacy materials.
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Project Partners:

Australian Government
Department of Foreign Affairs and Trade

Project URL: